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FORT WAYNE MARKET NEWS

United States Department of Agriculture
Agricultural Marketing Service
Milk Marketing Orders Division

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Fort Wayne, Indiana
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Federal Milk Order No. 47

Issued for Information of Producers
Who Are Not Members of Cooperative Association

MAY 22 1963

Vol. VII No. 5

May 1963

APRIL UNIFORM PRICE \$3.64

Dairy farmers who delivered Grade "A" milk to handlers subject to the Fort Wayne milk order in April 1963, will receive a minimum uniform price of \$3.64 per hundredweight for milk testing 3.5%. A butterfat differential of 7.1 cents for each one tenth of one percent that individual tests vary above or below the 3.5% standard will be used. This minimum price is subject to a 4 cent per hundredweight marketing service deduction and authorized hauling charges. The computation of the minimum blend price is shown on page 5 and the class prices on page 4.

The \$3.64 price for April 1963 is 41 cents below the March 1963 price, and 6 cents below the April 1962 price.

PRODUCER RECEIPTS AND UTILIZATION

Approved producers shipped 20,083,849 pounds of milk to the Fort Wayne market during April 1963, of which 15,186,201 pounds or 75.6% was utilized in Class I by 18 pool handlers. Production was up 2.1% from March 1963. Class I utilization of producer milk was down 4.1% from March 1963.

SEASONAL PRICING PLAN

During the months of April, May and June the Fort Wayne Order provides that a portion of the money paid, into the market-wide pool, by handlers be set aside for distribution to producers in the months of September, October and November. This will result in higher prices to producers during these months of normally low milk production. For April approximately 34 cents per hundredweight was placed in this fund.

MAY CLASS I PRICE \$4.28

\$1.20 was added to the April basic formula price of \$3.08 (Wisconsin-Minnesota Series) to establish the Fort Wayne Class I price for May. This price of \$4.28 is 1 cent below the April Class I price.

FINAL DECISION ON CLASS I PRICING

A final decision by the USDA, which would maintain the Fort Wayne \$1.20 class differential until December 31, 1964, was signed by the Secretary on April 25, 1963.

BALTIMORE MILK ORDER UPHELD

The U. S. Court of Appeals at Richmond, Virginia, reversed on March 11, a lower court order which had held the Upper Chesapeake Bay (Baltimore) federal marketing order invalid because of defects in promulgation proceedings. The Court of Appeals found that the order was in accordance with law and that the Secretary has followed the proper procedures in the issuance of the order.

FORT WAYNE MILK MARKET NEWSUTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

<u>CLASS I MILK</u>	<u>April 1963</u> <u>Reported</u>		<u>April 1962</u> <u>Reported</u>	
	<u>Milk Pounds</u>	<u>BF Pounds</u>	<u>Milk Pounds</u>	<u>BF Pounds</u>
Fluid Milk	13,078,390	460,953	10,073,653	352,856
Regular Skim Milk	262,897	3,455	270,240	4,098
Skim Milk - Solids Added	1,144,101	20,449	823,819	13,986
Buttermilk	146,963	1,331	128,581	1,005
Flavored Milk/Drink	590,890	17,131	497,536	14,006
Cream Mixtures	190,005	23,174	174,887	20,972
Light Cream	11,983	2,633	14,232	3,039
Heavy Cream	24,951	8,614	18,556	6,526
Sour Cream	22,798	4,168	17,939	3,564
Sub Totals	15,472,978	541,908	12,019,443	420,052
Plus Unaccounted For	18,590	2,671	52,342	7,868
Gross Total Class I Milk	15,491,568	544,579	12,071,785	427,920
Less Other Source Receipts	268,431	13,499	22,651	1,541
Less Overages	1,929	-0-	-0-	-0-
Less Beginning Inventory	35,007	-0-	-0-	-0-
<u>CLASS I PRODUCER MILK IN POOL</u>	<u>15,186,201</u>	<u>531,080</u>	<u>12,049,134</u>	<u>426,379</u>
<u>CLASS II MILK</u>				
Class II Production	1,576,948	29,805	1,084,003	36,947
Sales to Nonpool Plants	3,251,987	187,671	2,417,760	130,151
Ending Inventory	1,487,868	59,676	1,358,810	52,443
Dumped or Livestock Feed	50,634	572	46,099	229
Class II Shrinkage	108,811	7,027	117,535	8,469
Gross Total Class II Milk	6,476,248	284,751	5,024,207	228,239
Less Other Source Receipts	49,842	1,485	116,456	8,458
Less Overages	4,296	19	10,629	136
Less Beginning Inventory	1,524,462	61,636	1,038,551	42,286
<u>CLASS II PRODUCER MILK IN POOL</u>	<u>4,897,648</u>	<u>221,611</u>	<u>3,858,571</u>	<u>177,359</u>
<u>TOTAL PRODUCER MILK</u>				
<u>IN BOTH CLASSES</u>	<u>20,083,846</u>	<u>752,691</u>	<u>15,907,705</u>	<u>603,738</u>

MISCELLANEOUS INFORMATION

	<u>April</u> <u>1963</u>	<u>April</u> <u>1962</u>	<u>April</u> <u>1961</u>
Daily Class I Milk (Lbs.)	516,386	402,393	238,214
Current Month Compared With:		+ 28.3%	+ 116.8%
Production per Farm per Day	776	693	467
Current Month Compared With:		+ 12.0%	+ 66.2%
Gross Class I Milk to Producer Milk	77.1%	75.9%	71.8%
Pool Value of Producer Milk	\$836,013	\$679,947	\$400,970
Value of Producer Milk per Farm	\$ 969	\$ 889	\$ 565
Butter-Skim Powder Price	\$ 3.00	\$ 3.02	\$ 3.14
Wisconsin-Minnesota Plant Average	\$ 3.08	\$ 3.05	\$ 3.23

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK
(By Months and Monthly Averages)

Month or Year	CLASS I			CLASS II			PRODUCER RECEIPTS (100%)		
	Product Pounds	Per- cent	Ave. Test	Product Pounds	Per- cent	Ave. Test	Product Pounds	Ave. Test	No. of Producers
1957	5,297,422	61.0	3.69	3,387,512	39.0	3.90	8,684,954	3.77	897
1958	5,432,954	60.3	3.69	3,583,075	39.7	4.01	9,016,029	3.78	877
1959	5,400,857	61.9	3.65	3,327,343	38.1	4.00	8,728,200	3.74	821
1960	5,906,158	63.3	3.63	3,420,711	36.7	4.10	9,326,869	3.80	817
<u>1961</u>									
Jan.	6,347,397	59.1	3.58	4,385,705	40.9	4.34	10,733,102	3.89	845
Feb.	5,893,981	59.1	3.58	4,070,710	40.9	4.19	9,964,691	3.83	836
Mar.	6,429,786	62.6	3.58	3,834,277	37.4	4.12	10,264,063	3.78	724
Apr.	6,044,454	60.7	3.58	3,910,303	39.3	4.05	9,954,757	3.77	710
May	11,943,187	67.8	3.56	5,666,314	32.2	4.08	17,609,501	3.73	977
Jun.	10,853,098	64.3	3.54	6,023,595	35.7	3.61	16,876,693	3.57	964
Jul.	10,885,298	70.5	3.55	4,555,992	29.5	3.36	15,441,290	3.61	963
Aug.	11,087,479	76.6	3.54	3,382,028	23.4	3.90	14,469,507	3.63	927
Sep.	11,968,648	83.9	3.57	2,294,294	16.1	3.90	14,262,942	3.63	940
Oct.	12,462,080	80.1	3.55	3,098,449	19.9	4.46	15,560,529	3.73	949
Nov.	12,290,099	82.0	3.59	2,697,330	18.0	5.17	14,987,429	3.88	953
Dec.	12,479,761	78.0	3.65	3,521,752	22.0	5.10	16,001,513	3.97	924
Ave.	9,890,439	71.4	3.57	3,953,396	28.6	4.19	13,843,835	3.75	893
<u>1962</u>									
Jan.	12,967,846	81.7	3.56	2,903,760	18.3	5.95	15,871,606	4.00	855
Feb.	11,727,645	82.2	3.60	3,544,941	17.8	5.40	14,272,586	3.92	819
Mar.	13,528,647	81.8	3.58	3,005,482	18.2	5.23	16,534,129	3.88	824
Apr.	12,049,134	75.7	3.54	3,858,571	24.3	4.60	15,907,705	3.80	765
May	12,509,132	68.8	3.50	5,677,878	31.2	4.08	18,187,010	3.68	775
June	11,790,924	71.5	3.52	4,689,249	28.5	3.69	16,480,173	3.57	767
July	11,679,887	77.0	3.49	2,484,840	23.0	3.83	15,164,727	3.57	770
Aug.	12,481,221	84.5	3.46	2,289,735	15.5	4.09	14,770,956	3.56	782
Sep.	12,855,089	83.8	3.45	2,493,284	16.2	4.48	15,348,373	3.62	836
Oct.	13,875,255	81.9	3.48	3,076,464	18.1	4.94	16,951,719	3.75	837
Nov.	13,690,606	80.8	3.52	3,252,253	19.2	5.51	16,942,859	3.90	844
Dec.	13,645,073	74.1	3.54	4,777,978	25.9	5.19	18,423,051	3.97	851
Ave.	12,733,372	78.4	3.52	3,504,536	21.6	4.75	16,237,908	3.77	810
<u>1963</u>									
Jan.	14,402,111	74.7	3.48	4,889,705	25.3	5.48	19,291,816	3.98	856
Feb.	13,757,097	79.0	3.47	3,650,931	21.0	5.69	17,408,028	3.93	846
Mar.	15,839,650	80.5	3.51	3,840,601	19.5	5.30	19,680,251	3.86	854
Apr.	15,186,201	75.6	3.50	4,897,648	24.4	4.52	20,083,849	3.75	863

FORT WAYNE MILK MARKET NEWS

ORDER NO. 47 PRICES - 3.5% BASIS
(By Months and Monthly Averages)

Month or Year	Basic Formula Price	Differ- ential	CLASS I		CLASS II		UNIFORM		BUTTERFAT DIFFERENTIALS		
			Supply Demand	Milk Price	Milk Price	Milk Price	Milk Price	Class I	Class II	Producer	
1957	\$3.123	\$1.16	\$+0.06	\$4.348	\$3.123	\$3.93	\$3.93	\$.077	\$.068	\$.068	
1958	2.965	1.16	+0.04	4.173	2.965	3.73	3.73	.076	.067	.067	
1959	3.002	1.16	+0.10	4.264	3.002	3.84	3.84	.077	.069	.069	
1960	3.046	1.16	+0.12	4.325	3.046	3.88	3.88	.077	.068	.068	
1961											
Jan.	3.100	1.15	---	4.250	3.100	3.79	3.79	.079	.070	.070	
Feb.	3.043	1.15	---	4.193	3.043	3.74	3.74	.079	.070	.070	
Mar.	3.039	1.15	---	4.189	3.039	3.76	3.76	.079	.070	.070	
Apr.	3.137	1.15	---	4.287	3.137	3.85	3.85	.079	.070	.070	
May	3.23	1.20	---	4.430	3.19	3.64*	3.64*	.076	.070	.074	
Jun.	3.19	1.20	---	4.39	3.18	3.59*	3.59*	.076	.070	.074	
Jul.	3.18	1.20	---	4.38	3.18	4.02	4.02	.076	.070	.074	
Aug.	3.18	1.20	---	4.38	3.20	4.11	4.11	.076	.070	.074	
Sep.	3.20	1.20	---	4.40	3.20	4.50*	4.50*	.076	.070	.075	
Oct.	3.20	1.20	---	4.40	3.20	4.42*	4.42*	.076	.070	.075	
Nov.	3.20	1.20	---	4.40	3.21	4.45*	4.45*	.076	.070	.075	
Dec.	3.21	1.20	---	4.41	3.22	4.14	4.14	.076	.070	.074	
Ave.	3.16	1.18	---	4.34	3.16	4.00	4.00	.077	.070	.073	
1962											
Jan.	3.22	1.20	---	4.42	3.21	4.19	4.19	.076	.070	.074	
Feb.	3.21	1.20	---	4.41	3.21	4.20	4.20	.076	.070	.075	
Mar.	3.29	1.20	---	4.49	3.20	4.24	4.24	.076	.070	.075	
Apr.	3.21	1.20	---	4.41	3.02	3.70*	3.70*	.076	.067	.073	
May	3.05	1.20	---	4.25	2.97	3.51*	3.51*	.072	.067	.070	
Jun.	3.01	1.20	---	4.21	2.95	3.52*	3.52*	.072	.067	.071	
Jul.	3.01	1.20	---	4.21	2.95	3.92	3.92	.072	.067	.071	
Aug.	3.03	1.20	---	4.23	3.04	4.04	4.04	.072	.067	.071	
Sep.	3.04	1.20	---	4.24	3.06	4.43*	4.43*	.072	.067	.071	
Oct.	3.06	1.20	---	4.26	3.06	4.38*	4.38*	.073	.067	.072	
Nov.	3.07	1.20	---	4.27	3.09	4.38*	4.38*	.072	.067	.071	
Dec.	3.10	1.20	---	4.30	3.09	3.98	3.98	.072	.067	.070	
Ave.	3.11	1.20	---	4.31	3.07	4.04	4.04	.073	.068	.072	
1963											
Jan.	3.11	1.20	---	4.31	3.10	3.99	3.99	.072	.067	.070	
Feb.	3.10	1.20	---	4.30	3.10	4.04	4.04	.072	.067	.070	
Mar.	3.10	1.20	---	4.30	3.09	4.05	4.05	.072	.067	.071	
Apr.	3.09	1.20	---	4.29	3.08	3.64*	3.64*	.072	.067	.071	
May	3.08	1.20	---	4.28				.072			

* "Louisville" plan in effect.

FEDERAL MILK MARKET ADMINISTRATOR
FORT WAYNE INDIANA MARKETING AREA

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Agricultural Marketing Service
Milk Marketing Orders Division
Federal Order No. 47

1122 South Harrison Street
Fort Wayne, Indiana
Phone: 742 - 7401

COMPUTATION OF UNIFORM PRICE
(Based on reports of 18 Handlers)
April 1963

	<u>Milk Pounds</u>	<u>Average Test</u>	<u>Class Prices at Test</u>	<u>Total Value</u>	<u>% of Pounds</u>
Class I	15,186,201	3.4971	\$ 4.287928	\$651,173.35	75.61
Class II	4,897,648	4.5248	3.766646	184,477.08	24.39
	20,083,849			\$835,650.43	100.00
Add: Value of Overage				78.45	
Add: Value of Other Source Assessments				-0-	
Add: Value of Inventory Reclassified				284.29	
Pool Value of Producer Milk				\$836,013.17	
Less: (Producer Pounds @ 8% of Class I Price)					
20,083,849 @ \$ 0.3432				68,927.77	
\$ 1047.71 (b)					
Less: Butterfat Adjustment to 3.5%				35,326.96	
Add: 1/2 Cash Balance in Producer Settlement Fund				7,592.73	Rate Per Cwt.
Adjusted Pool Value				\$739,351.17	\$3.681322
Less: Producer Settlement Fund Reserve				8,299.07	.041322
ANNOUNCED UNIFORM PRICE FOR 3.5% MILK				\$731,052.10	\$3.64

COMPUTATION OF PRODUCER BUTTERFAT DIFFERENTIAL

	<u>Butterfat</u>	<u>Differentials</u>	<u>Weighted Amount</u>
Class I	531,080	\$ 0.072	\$ 38,237.76
Class II	221,611	0.067	14,847.94
Total	752,691	\$ 0.071	\$ 53,085.70

The announced uniform price (f.o.b. pool plants at which no location adjustments are applicable) of \$3.64 for 3.5% milk is subject to adjustment by the producer butterfat differential of \$0.071 for each 1/10 percent of butterfat over or under 3.5%. This price is also subject to the applicable marketing service deduction and authorized hauling charges.

MINIMUM PRODUCER PRICES AT BUTTERFAT TEST FOR APRIL 1963

<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>
3.25	\$3.4625	3.70	\$3.7820	4.15	\$4.1015	4.60	\$4.4210
3.30	3.4980	3.75	3.8175	4.20	4.1370	4.65	4.4565
3.35	3.5335	3.80	3.8530	4.25	4.1725	4.70	4.4920
3.40	3.5690	3.85	3.8885	4.30	4.2080	4.75	4.5275
3.45	3.6045	3.90	3.9240	4.35	4.2435	4.80	4.5630
3.50	/3.64/	3.95	3.9595	4.40	4.2790	4.85	4.5985
3.55	3.6755	4.00	3.9950	4.45	4.3145	4.90	4.6340
3.60	3.7110	4.05	4.0305	4.50	4.3500	4.95	4.6695
3.65	3.7465	4.10	4.0660	4.55	4.3855	5.00	4.7050

Date Announced: May 10, 1963

R. J. Connolly, Market Administrator

